



UGB announces results for the first quarter of 2015

Bahrain, 13 May 2015: United Gulf Bank B.S.C. ("UGB") has announced a net profit attributable to shareholders of parent of US\$ 2.1 million for the first quarter of 2015 compared to US\$ 10.2 million in the first three months of 2014.

Key Financial Highlights – 1Q15

- Net profit attributable to the shareholders of the parent of US\$ 2.1 million (1Q14: US\$ 10.2 million)
- Net profit for the first three months of US\$ 0.2 million (1Q14: US\$ 11.6 million)
- Basic earnings per share of 0.26 cents (1Q14: 1.25 cents)
- Total income before interest and other expenses of US\$ 35.2 million (1Q14: US\$ 40.5 million)
- Total assets of US\$ 2.6 billion (2014: US\$ 2.8 billion)

Financial Performance

UGB's net profit attributable to shareholders of parent was at US\$ 2.1 million compared to US\$ 10.2 million in the same period last year. UGB total income also decreased to US\$ 35.2 million compared to US\$ 40.5 million at 31 March 2014.

In 1Q14, US\$ 9 million step-up acquisition gain was recorded at a subsidiary, no such gain during 1Q15.

UGB's total assets marginally decreased to US\$ 2.6 billion as at 1Q15, compared to US\$ 2.8 billion at 31 December 2014.

Total equity decreased to US\$ 537.8 million (2014: US\$ 580.4 million) due to negative movement of fair value and foreign exchange reserves.

Commenting on the results, Mr. Rabih Soukarieh, Chief Executive Officer of UGB, said:

"Our recurring Income has increased for the quarter compared to same period in 2014. We remain confident of our future profitability that is for the most part driven by a predictable and recurring revenue stream."

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About UGB:

UGB is the merchant banking subsidiary of KIPCO Group. Its proprietary investments include assets in commercial banking, real estate, private equity, and quoted securities. As of 31 March 2015 assets under management exceeded US\$ 10.4 billion (31 December 2014: US\$ 11.6 billion).

UGB's core subsidiaries, associates and joint venture include: Burgan Bank, KIPCO Asset Management Company (KAMCO), North Africa Holding Company, United Gulf Financial Services – North Africa, Takaud Savings & Pension Company, FIMBank p.l.c, United Capital Transport Company and United Real Estate Company.

UGB and its subsidiary KAMCO have a proven track record of successfully completing more than 60 investment banking transactions for its clients since 2001 with an aggregate value of over US\$ 8 billion including corporate finance, advisory, new issue placement and underwriting, corporate restructuring, bond issuance and merger and acquisition.

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